

## Message Text

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PAGE 01 TOKYO 09378 241020Z  
ACTION EB-08

INFO OCT-01 EA-10 IO-13 ISO-00 XMB-02 OMB-01 TRSE-00  
AID-05 CAB-02 CIAE-00 COME-00 DODE-00 DOTE-00  
INR-10 NSAE-00 FAA-00 L-03 SS-15 SP-02 STR-07  
STRE-00 /079 W

-----098478 241933Z /64

R 240932Z MAY 78  
FM AMEMBASSY TOKYO  
TO SECSTATE WASHDC 8202  
INFO AMEMBASSY SEOUL  
USMISSION GENEVA

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USMTN  
DEPT ALSO PASS STR ELECTRONICALLY

E.O. 11652: NA  
TAGS: EAIR, JA  
SUBJECT: JAPANESE PLANS TO BUY AND LEASE AIRCRAFT

REF: (A) TOKYO 6146 (NOTAL), (B) SEOUL 3993

SUMMARY: MITI HAS TOLD US THAT TWO SMALL PURCHASE/LEASE  
PLANS ARE PENDING. HOWEVER, SINCE ANY AIRCRAFT PURCHASED  
UNDER PLAN MUST BE DELIVERED TO LEASEE BY END MARCH,  
1979, CONCEPT IS OF LITTLE INTEREST TO U.S. AIRCRAFT  
MANUFACTURERS WHO REQUIRE 18-24 MONTHS DELIVERY TIME.  
END SUMMARY.

1. RECENTLY EMBOFF RECEIVED INFORMAL UPDATE FROM MITI  
OFFICIAL RE CURRENT STATUS OF MITI-SPONSORED AIRCRAFT  
PURCHASE PLAN PROGRAM. OFFICIAL TOLD US THAT TWO  
DOUBTING MINISTRIES (MOT AND MOF) "HAVE COME ALONG" AND  
THAT TWO SMALL DEALS, ONE OF WHICH INVOLVES AMERICAN-  
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MADE AIRCRAFT, (POSSIBLY SECOND-HAND) ARE NOW PENDING.  
IN RESPONSE TO OUR REQUEST FOR DETAILS OF PROGRAM, HE  
STATED ALL LEASES WOULD BE ON COMMERCIAL TERMS AND ONLY  
TO LESS DEVELOPED COUNTRIES AND THAT THE LEASE ARRANGE-  
MENT MUST BE CONCLUDED BY THE END OF MARCH, 1979 (END  
JFY 1978).

2. ACCORDING TO MITI, QUESTIONS REGARDING LEGAL AND FINANCIAL RESPONSIBILITY IN CASE OF ACCIDENT HAVE ALSO APPARENTLY BEEN SORTED OUT--THE LEASING AIRLINE PAYING FIRST; IN CASE OF INSOLVENCY, THE JAPANESE LEASOR. OFFICIAL ADMITTED, HOWEVER, THAT THE TRANSPORTATION MINISTRY IS "STILL CONCERNED" OVER THE COMPETITIVE ASPECT; I.E., WHETHER LEASED AIRCRAFT COULD BE USED ON INTERNATIONAL ROUTES IN COMPETITION WITH JAPANESE CARRIERS.

3. EMBOFF LATER RECEIVED CALL FROM LOCAL LOCKHEED REP WHOSE SENIOR VP WAS VISITING JAPAN (TOKYO 7545). LOCKHEED, TOO, HAD CALLED ON MITI TO DISCUSS PRUCHASE/LEASE PROGRAM AND RECEIVED SAME INFO, I.E., THAT TWO SMALL DEALS ARE PENDING. LOCKHEED ADDED, HOWEVER, THAT NOT ONLY LEASE ARRANGEMENT BUT AIRCRAFT ITSELF MUST BE DELIVERED TO LEASING COMPANY BY END MARCH, 1979. THOUGH LOCKHEED FAVORS THE MITI PURCHASE/LEASE PROJECT "IN PRINCIPLE," SHORT DEADLINE MAKES IT VIRTUALLY IMPOSSIBLE FOR ANY MANUFACTURER WITH ORDERS TO BENEFIT FROM SCHEME SINCE THEY REQUIRE 18-24 MONTHS DELIVERY TIME. PROJECT, WHICH APPARENTLY HAS BEEN SET INTO THE GOJ'S ONE YEAR EMERGENCY IMPORT FRAMEWORK, THUS FAVORS THOSE MANUFACTURERS HAVING UNSOLD AIRCRAFT (A-300) OR SELLERS OF USED AIRCRAFT.  
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4. COMMENT: WE ARE NOT SURE THAT ENTIRE PROJECT IS AS FIRMLY ON TRACK AS MITI BELIEVES. SINCE IT FAVORS THOSE HAVING UNSOLD AIRCRAFT AND OFFERS NO ADVANTAGE TO U.S. COMPANIES, WE ARE NOT ENCOURAGING GOJ TO CONTINUE IT. VISITING EX-IM BANK OFFICIALS (STATE 105749) ARE TO RECEIVE FORMAL BRIEFING FROM MITI ON THIS PROJECT MAY 29 AND MAY BE ABLE PROVIDE FURTHER UPDATE FOLLOWING THAT SESSION.

MANSFIELD

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PROCUREMENT, COMMERCIAL AIRCRAFT, LEASES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 24 may 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978TOKYO09378  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780219-0698  
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**Litigation History:**  
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**Message ID:** 95054597-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
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**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 05 may 2005  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** N/A  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 2580686  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** JAPANESE PLANS TO BUY AND LEASE AIRCRAFT  
**TAGS:** EAIR, JA  
**To:** STATE  
**Type:** TE  
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**Review Markings:**  
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